



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



MICHAEL P. FLANAGAN
SUPERINTENDENT OF
PUBLIC INSTRUCTION

July 2, 2010

MEMORANDUM

TO: MEGS Authorized Officials
Consolidated Application Main Contacts

FROM: Michael W. Radke, Director
Office of Field Services

SUBJECT: ARRA Title I, Part A; Title I, Part D; and Title II, Part D Carryover

As local educational agencies (LEAs) begin applying for American Recovery and Reinvestment Act (ARRA) Title I, Part A; Title I, Part D; and Title II, Part D Carryover, it is important to be aware of the following critical information:

- 2009-10 ARRA budget items that were approved for implementation in the 2010-11 school year are considered to have prior approval. LEAs should continue implementation of those planned, two year programs or services during the 2010-11 academic year. The LEA will not be able to add these items to the ARRA carryover budget until after the Final Expenditure Report (FER) is certified in the Cash Management System (CMS) and the budgeted portion of carryover becomes available (see below), but once added, the Obligation Date for those items will backdate to the initial 2010-11 Consolidated Application Obligation Date.
- 2009-10 ARRA funds that were not budgeted by the LEA, or budgeted but not approved by the Office of Field Services (OFS), are available as carryover and should be budgeted in the LEA's initial 2010-11 Consolidated Application.
- 2009-10 ARRA funds that were budgeted by the LEA, but not spent, will become available in the Michigan Electronic Grants System (MEGS) as carryover after the LEA's FER has been certified in CMS. LEAs will apply for this carryover through the amendment process. ARRA budget items that had prior approval as planned carryover will maintain the initial 2010-11 Obligation Date. The Obligation Date for new carryover budget items will be the date the items are added in the amendment to the 2010-11 Consolidated Application.

STATE BOARD OF EDUCATION

KATHLEEN N. STRAUS – PRESIDENT • JOHN C. AUSTIN – VICE PRESIDENT
CAROLYN L. CURTIN – SECRETARY • MARIANNE YARED MCGUIRE – TREASURER
NANCY DANHOF – NASBE DELEGATE • ELIZABETH W. BAUER
REGINALD M. TURNER • CASANDRA E. ULBRICH

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • (517) 373-3324

- Carryover is now divided into two categories: "Obligated" and "Unobligated". Most LEAs will only have "Unobligated" carryover; the "Obligated" Carryover line will be blank. Please see the memorandum on the OFS website entitled "[6.15.10 - Obligated Funds](#)" for additional information.
- LEAs must apply for 100% of the ARRA Carryover funds by January 31, 2011, or those funds will be recaptured and redistributed to other LEAs.

Reminder: If LEAs need to apply for a waiver to exceed the 15% carryover limit for Title I, Part A funds, the waiver is available in the MEGS Main Menu within the "Certification Menu" found under the header "Additional Functions". Please see the Title I, Part A Waiver memorandum on the OFS website entitled "[6.15.10 - Title I, Part A Waiver of 15% Carryover Limitation for 2009-10](#)" for additional information.

If you have questions, please feel free to contact your OFS consultant for your area or call 517-373-3743 for assistance. If you have questions related to MEGS for CMS, please contact Judy Thelen at 517-335-1266 or ThelenJ8@michigan.gov.